



PERSonnel UPDATES

The Newsletter for Authorized Agents & Personnel/Payroll Officers

Editor: Rebecca Fricke

April 2003
Volume 11, Issue 2

Inside this Issue

- 1 NDPERS Payroll Conference
- 2 Health Insurance Annual Enrollment
- 3 EPO Open Enrollment
- 4 Defined Contribution Participants
- 5 Memorandum on Retirement Reporting
- 6 USERRA Reminder
- 7 Continuation of Group Life Insurance
- 8 Part-time/Temporary Employees & Benefits
- 9 NDPERS Forms on Website
- 10 When Visiting the NDPERS Office
- 11 Board Meeting Highlights

NDPERS
400 E Broadway Ave Suite 505
Bismarck ND 58501
Telephone (701) 328-3900
www.discovernd.com/ndpers

This newsletter is intended to provide general information and may not be considered to be a legal interpretation of law. Statements contained in this newsletter do not supersede the North Dakota Century Code or Administrative Code or restrict the authority granted to the Retirement Board. This information is subject both to changes made by the legislature and rules and regulations established by the Board of the North Dakota Public Employees Retirement System.

Events & Mailings

NDPERS Payroll Conference

If you have not registered yet for the NDPERS Payroll Conference, go to the NDPERS website and plan to attend, pull down the registration form, complete it and send it in. The **deadline for registration has been extended to April 30, 2003**. No registrations will be taken at the door or over the phone. If you have questions about the conference please call Denise Curfman at 328-3903.

The conference is May 21st and 22nd at the Best Western Ramkota Hotel in Bismarck. The cost of the conference is \$25.00. It will start at 10:00 AM on Wednesday, May 21st and is scheduled to end on Thursday, May 22nd.

Health Insurance Annual Enrollment

The month of May is the annual enrollment for the NDPERS Group Health Plan. Employees who did not enroll in the group health plan during their initial 31 day eligibility period when hired or did not enroll within 31 days of a qualifying event may apply for coverage. Individuals being enrolled may be subject to a 12 month pre-existing condition clause.

Please use the following procedures:

- ⇒ A NDPERS Group Health Application must be completed. If the employee is joining the EPO program, an Employee Selection Form must be completed and mailed with the NDPERS Group Health Application.
- ⇒ Check the ANNUAL ENROLLMENT box at the bottom of the NDPERS Group Health Application.

- ⇒ The payroll/personnel manager must complete the shaded boxes on the NDPERS Group Health Application.
- ⇒ The NDPERS Group Health Application cannot be dated or submitted prior to May 1 and must be received in the payroll office no later than May 31.
- ⇒ The NDPERS office must receive the NDPERS Group Health Application and the Employee Selection Form from payroll, no later than June 5. Coverage will become effective July 1, 2003.
- ⇒ Payroll records must be changed for June's payroll paid July 1.

EPO Open Enrollment

This year's EPO open enrollment will begin on May 19 and go through June 30. Enrollment information will be mailed to NDPERS members that reside within a 50 mile radius of an EPO network the week of May 19th. NDPERS will not be conducting enrollment meetings this year. The enrollment information we are sending to members will be posted on the NDPERS website by May 14th.

Please use the following procedures:

- ⇒ An Employee Selection Form indicating the subscriber's EPO affiliation choice must be completed and returned to the payroll office. Payroll must forward the form to the NDPERS office. This form must also be completed if a subscriber wants to cancel EPO participation.
- ⇒ An Out-of-Area Waiver Form must be completed by the contract holder for any child(ren) covered under the health policy that reside outside of the EPO provider area. Please read the Out-of-Area Waiver Form guidelines.

Defined Contribution Plan Participants

Fidelity Investments will sponsor investment education one-on-one counseling sessions on June 16th and 17th for participants of the NDPERS Defined Contribution Plan. Fidelity Investment representative Janet Kelsey, who holds a Series 7 securities license, will also hold a group presentation and a question and answer session on "Investment Strategy in a Volatile Market" on June 16, 2003. DC plan participants will be able to arrange an individual half-hour session direct with Ms. Kelsey by calling a special Fidelity toll-free number.

Worker's Compensation Bureau has graciously agreed to allow NDPERS to host the group presentation and all counseling sessions at the new Worker's Compensation building at 1600 East Century Ave., Bismarck. DC plan members from all other agencies are welcome to arrange a counseling session and/or attend the group presentation. All members of the defined contribution plan will be provided more information on the investment seminar by email and postal mail beginning in May.

Odds & Ends

Important Memorandum Enclosed Regarding Retirement Reporting

If you participate in the NDPERS Defined Benefit Plan, please make sure that you review the enclosed memorandum and keep it with your employer handbook as a future reference. This memorandum provides the requirements regarding reporting seasonal employees, leave of absences and bonuses.

REMINDER: USERRA Employer Update Available on Website

There are special policies that apply to the administration of our retirement and group insurance benefits with regard to reservists that are called for active duty. We have prepared a memorandum regarding the administration of NDPERS benefits for these individuals. As a reminder, this memorandum is available at www.discovernd.com/ndpers under both "News" and "Employer" on the menu. *As the employer, please make sure you review the information*

provided in the memorandum with the reservist when they are called to duty.

Continuation of Group Life Insurance

Currently, upon retirement, eligible retirees have the option to continue their \$1,300 basic life coverage. Effective July 1, 2003, retirees receiving a retirement benefit from NDPERS, NDHPRS, TIAA-CREF, Job Service Retirement Plan, or the Teacher's Fund for Retirement, that are participating in the NDPERS group life insurance plan as an active employee, will have the option to continue their employee supplemental, dependent supplemental, and spouse supplemental life insurance coverage to age 65. This election must be made within 31 days of date of retirement. If they do not apply to continue coverage during this time limit, they will have forfeited their right to enroll in the future.

Eligible retirees may either maintain the same level(s) of coverage they had as an active employee or elect to decrease or discontinue their level(s) of coverage. They cannot increase any coverage levels, apply for coverage they are not participating in at the time of retirement, nor are they eligible for the annual enrollment.

Life insurance premiums may be paid on the same basis as the health premium; by deduction from the pension check, deduction from a bank account, or by individual billing. However, if the retiree is also participating in the health plan, the life premium must be paid in the same manner as that selected for the health premium. Premiums can not be withheld from a retirement benefit as a pre-tax deduction.

The employee supplemental, dependent life, and spouse supplemental insurance will terminate at age 65. The retiree is eligible to continue the \$1,300 basic coverage for life. However, to continue any other levels of coverage, they will be given the opportunity to convert to an individual life policy with the life insurance carrier.

If you have an employee whose retirement effective date is July 1, 2003 or after, and the retirement process has already been completed or just begun, please contact PERS to obtain a Retiree Life Insurance Application SFN 53622.

Part-time/Temporary Employees & Benefits Available

In the previous edition of this newsletter, there was an article that provided information on mandatory participation requirements for the Defined Benefit Plan. At this time, we want to provide a reminder about the ability for those who do not meet the mandatory requirements to participate in a few of the same NDPERS benefit plans that are offered to your permanent employees.

Defined Benefit Plan:

If an employee is at least eighteen years old, and is not covered under the mandatory participation requirements, he/she may elect to participate in the NDPERS Defined Benefit Plan within the first 180 days of employment, or within 180 days of changing to part-time or temporary employment. The employee is required to contribute the entire 9.12% of salary to the plan. The law expressly prohibits the employer from paying any portion of an optional participant's contribution. A member may not participate as both a permanent and a part-time/temporary member. Permanent employment takes precedence.

Group Health Insurance:

Part-time/Temporary employees are eligible to participate in the NDPERS Group Health Insurance Plan at their own expense. Enrollment must occur within 31 days of employment as a part-time/temporary employee. Otherwise, they can apply during the annual open enrollment; however, applicable pre-existing condition waiting periods may apply.

Group Life Insurance:

A part-time/temporary employee can also elect to participate at their own expense in the NDPERS Group Life Insurance Plan. However, all requests for coverage must be medically underwritten. Application must occur within 31 days of employment as a part-time/temporary employee. Otherwise, they can apply during the annual enrollment. The effective date of coverage is the first of the month following the date of approval for the coverage requested.

As the employer, please make sure that you review these benefit options with any employee that is newly hired or who has recently changed to part-time/ temporary employment. If you have questions, please contact the NDPERS office.

NDPERS Forms on the Website

As a reminder, many NDPERS forms are available to download from the NDPERS website for use by employees and employers.

When Visiting the NDPERS Office

Please advise your employees to make an appointment before stopping by the NDPERS office. Although staff will accommodate walk-ins when possible, an appointment will ensure that someone will be available to assist a member at the time he or she arrives. An appointment also allows staff to prepare appropriate benefit information for the individual's needs.

Board Meeting Highlights

Complete meeting minutes are available on the NDPERS website at www.discovernd.com/ndpers.

November 21, 2002

- Discussed policy that will standardize transfer procedures.
- Discussed board position on various bills being proposed.
- Approved policy for NDPERS to accept 403(b) & 457 funds into the Defined Benefit Plan effective August 1, 2003 if legislation passes.

December 19, 2002

- Reviewed Governor Hoeven's executive budget recommendation as it relates to NDPERS.
- Were provided with an update on the Health Insurance Portability & Accountability Act (HIPAA).
- Discussed board position on various bills being proposed for upcoming legislative session.

January 22, 2003

- Reviewed proposed alternative plan design for Group Health Insurance Plan.
- Were presented with the audit report for the fiscal year ending June 30, 2002.
- Discussed Employee Assistance Plan (EAP) renewal process.
- Reviewed enrollment information for 2002 in the FlexComp Plan, Defined Contribution Plan and Voluntary Insurance Plans.

January 31, 2003

- Discussed additional bills being proposed that affect NDPERS benefits.

February 20, 2003

- Appointed a committee to oversee the NDPERS Board election.
- Were provided with an overview on the status of legislation.

Look forward to receiving your next edition of the PERSonnel Updates @ July 15, 2003.

DON'T FORGET!
File this issue behind the PERSonnel Newsletter Updates tab in your INSIDE NDPERS Handbook.